

**Sercomm Corporation**

8F, No. 3-1, YuanQu St. (Nankang Software Industry Park) Taipei 115, Taiwan  
 Tel: 886-2-26553988 | Fax: 886-2-66158898 | <http://www.sercomm.com>

**Sercomm Announces 3<sup>rd</sup> Quarter Financial Results**

Taipei, Taiwan, 13<sup>th</sup> November 2013- Sercomm Corporation (TSE: 5388), a leading manufacturer of broadband and wireless networking equipments, today announced financial results for the third quarter of year 2013.

On consolidated basis, net sales from January to September of year 2013 were reported as NT\$14.27 billion, which represents a 4.8% decrease over NT\$15 billion for the first three quarters of 2012. Income before tax for the first three quarters of 2013 were NT\$755 million, which represents a 2.3% year-over-year decrease over NT\$773 million for the same period last year. Net income from January to September of year 2013 were NT\$623 million, which also represents a 2% decrease compared to NT\$636 million for the same period last year. Based on 199 million weighted average shares, earnings per share (EPS) for the first three quarters of year 2013 were reported as NT\$3.13.

Consolidated net sales for the third quarter of year 2013 were NT\$5.07 billion, which represents a 8.4% decrease compared to NT\$5.54 billion for 3Q'12. Income before tax for 3Q'13 were NT\$278 million, which represents a 4.5% year-over-year decrease over NT\$291 million for the third quarter of year 2012. Net income for 3Q'13 were NT\$228 million, which also represents a 5.8% decrease compared to NT\$242 million for the same period last year. Based on 199 million weighted average shares, EPS were reported as NT\$1.15 for the 3rd quarter of year 2013.

**Table 1: Cumulative Statement of Comprehensive Income**

(In NT\$MN)	JAN.-SEP.'13		JAN.-SEP.'12		Change
	Amount	%	Amount	%	
Net Revenue	14,274	100.0%	14,998	100.0%	-4.8%
Cost of Goods Sold	12,065	84.5%	12,679	84.5%	-4.8%
Gross Profit	2,209	15.5%	2,319	15.5%	-4.7%
Operating Expenses	1,608	11.3%	1,492	10.0%	7.8%
Operating Profit	601	4.2%	827	5.5%	-27.3%
Non-operating Income & Expenses	154	1.1%	-54	-0.3%	385.2%
Income before Tax	755	5.3%	773	5.2%	-2.3%
Net Income	623	4.4%	636	4.2%	-2.0%
EPS (NTD\$1)*	3.13		3.31		

\* Based on weighted average shares: 198,758 thousand shares for JAN.-SEP. 2013 and 192,230 thousand shares for JAN.-SEP. 2012

**Table 2: 3Q 2013 Statement of Comprehensive Income**

(In NT\$MN)	3Q 2013		3Q 2012		Change
	Amount	%	Amount	%	
Net Revenue	5,073	100.0%	5,537	100.0%	-8.4%
Cost of Goods Sold	4,243	83.6%	4,717	85.2%	-10.0%
Gross Profit	830	16.4%	820	14.8%	1.2%
Operating Expenses	554	10.9%	521	9.4%	6.3%
Operating Profit	276	5.5%	299	5.4%	-7.7%
Non-operating Income & Expenses	2	0.0%	-8	-0.1%	125.0%
Income before Tax	278	5.5%	291	5.3%	-4.5%
Net Income	228	4.5%	242	4.4%	-5.8%
EPS (NTD\$1) *	1.15		1.26		

\* Based on weighted average shares: 198,752 thousand shares for 3Q 2013 and 192,218 thousand shares for 3Q 2012

**Table 3: Balance Sheet**

(In NT\$MN)	September 30, 2013		September 30, 2012	
	Amount	%	Amount	%
Cash Equivalents	3,882	30.2%	3,740	29.1%
A/R	2,301	17.9%	2,449	19.0%
Inventory	2,435	18.9%	2,152	16.7%
Other Current Assets	378	2.9%	922	7.2%
Non-current Assets	3,878	30.1%	3,598	28.0%
Total Assets	12,874	100.0%	12,861	100.0%
Loan	1,180	9.2%	1,957	15.2%
A/P	4,369	33.9%	4,103	31.9%
Leasehold Payable	186	1.4%	337	2.6%
Corporate Bonds Payable	1,199	9.3%	1,094	8.5%
Other Payable & Liabilities	1,695	13.2%	1,695	13.2%
Total Liabilities	8,629	67.0%	9,186	71.4%
Total Equity	4,245	33.0%	3,675	28.6%

**About Sercomm Corporation**

Sercomm Corporation is a worldwide leading manufacturer of broadband and wireless networking equipments. Founded in 1992, Sercomm has been focusing on developing embedded solutions to make networking simple and affordable. Headquartered in Taipei, Taiwan, Sercomm's global operation network covers markets of North America, Europe and Asia Pacific, and its customer base includes the world's top OEMs, telecommunication vendors and system integrators. Listed on Taiwan Stock Exchange (TSE:5388), Sercomm posted sales revenue of NT\$19.27 BN in 2012 (approximately US\$644.41 MN). For more information, please visit [www.sercomm.com](http://www.sercomm.com)

# # #

**Investor Relations Contact**

Charlton Chen  
Spokesperson  
Phone : 886-2-2655-3988  
Fax : 886-2-6615-8898

Grace Liao  
Project Manager, Investor Relations  
Phone: 886-2-2655-3988 ext. 2103  
Fax : 886-2-6615-8898  
Email : [ir@sercomm.com](mailto:ir@sercomm.com)